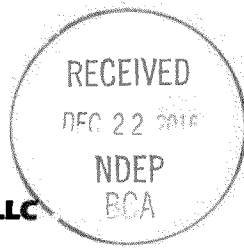




Singatse Peak Services, LLC



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DEC 22 2016

ENVIRONMENTAL PROTECTION

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December 19, 2016

Jeryl R. Gardner, P.E., C.E.M.
NDEP Anaconda Mine PM
901 Stewart Street, Suite 4001
Carson City, Nevada 89701
jgardner@ndep.nv.gov

**RE: Proposed Plan for Operable Unit 8
Anaconda Copper Mine; Yerington, Lyon County Nevada
Private Landowner Comments**

SPS appreciates the opportunity to provide comments on the Proposed Plan for OU8. In general, SPS supports the concepts presented in the Proposed Plan. However, some of the information presented in the Proposed Plan is inconsistent with the information presented in the NPL listing documents recently provided by the US EPA. SPS comments on the NPL documents were presented in a letter to the EPA dated November 8, 2016.

In 2011, SPS purchased the private property at the site with the goal of restarting mining at the Site. To date, SPS has spent over \$37M on evaluating the potential to restart mining at the Site and adjacent properties. The statement on Page 3 of the Proposed Plan is incomplete; SPS's plans for the site are not just to evaluate the reprocessing of OU8 and other residuals from previous mining operations. Rather, SPS purchased the assets at the Site with the primary purpose of evaluating the feasibility of restarting mining of the copper resource in the existing open pit as well as the adjacent mineralized areas on or near the existing mine Site.

One of the risks presented in the Proposed Plan is related to the capacity limitations of the OU8 Fluid Management System (FMS) ponds. Although capacity of the FMS ponds was stated by EPA and NDEP as one of the key issues that led to the desire to list the Site on the NPL, the capacity could be extended through enhanced evaporation. During the 2016 calendar year, with concurrence of EPA and NDEP as well as ARC, SPS voluntarily completed a field-scale pilot study to evaluate enhanced evaporation of the FMS solutions. The pilot test is mentioned briefly on page 3 of the Proposed Plan. The results of the pilot test showed that enhanced evaporation can safely and economically extend the life of the FMS by at least 10 years without increasing the volume of solutions in the FMS ponds. The results of the pilot test were reviewed in a meeting with EPA, NDEP and ARC on October 20, 2016 and documented in a final report dated November 25, 2016. Enhanced evaporation could be used to defer the closure of OU8 and other OUs at the site while the EPA, NDEP, ARC, SPS and other stakeholders evaluate alternative options for managing and closing the Site.

The Proposed Plan for OU8 does not define a specific schedule for implementation of the closure of OU8. Even though SPS generally supports the Proposed Plan as the permanent solution, SPS recommends implementing a phased closure based on the following priorities:

1. FMS capacity needs which could be extended with enhanced evaporation,
2. Efficient integration of OU8 closure with the broader site remedy implementation by ARC, and
3. SPS's ongoing exploration and evaluation of restarting mining.



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Using these principles to guide the Site activities will lead to an efficient overall site cleanup and allow for continued evaluation of the feasibility of restarting mining at the Site.

SPS understands that ARC and NDEP are negotiating a formal deferral of NPL listing of the Site. A key component of the deferral is that ARC would pay for the closure of OU8. SPS is conditionally supportive of the alternative approach proposed by ARC and NDEP as long as remediation of the site proceeds in an orderly fashion that allows for future flexibility to restart mining at the Site. As the private landowner and given the development of SPS's plans to restart mining, SPS must be included in all discussions and decisions regarding site remediation and reclamation while such decisions are considered and before any such decisions are finalized. Specifically, but not exclusively, SPS must have input regarding plans related to locating potential disposal sites for onsite wastes, use of on-Site soils or other materials which SPS considers assets for capping or other uses, and use of the existing open pit for stormwater management. This list is indicative yet not exhaustive of the types of issues that are important to SPS, the landowner, as it continues to evaluate the feasibility of restarting mining at the Site.

Conclusion

Singatse continues to maintain that there is no legitimate reason to rush into a listing process, nor is there any legitimate reason to rush into an expensive remedial process regarding OU8. There are mechanisms, such as enhanced evaporation which can effectively and economically extend the life of the FMS thereby allowing adequate time for stakeholders to identify, fund and implement alternatives. SPS respectfully requests a more fulsome opportunity to participate in the planning and evaluation of approaches to remediation at the Site

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas Patton", written over a horizontal line.

Thomas Patton
Manager
Singatse Peak Services LLC